

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

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| AMERICAN INTERNATIONAL GROUP, INC., <i>et al.</i> , |) |
| |) |
| |) |
| Plaintiffs, |) No. 07 CV 2898 |
| vs. |) |
| |) District Judge Robert W. Gettleman |
| ACE INA HOLDINGS, INC., <i>et al.</i> , |) |
| |) Magistrate Judge Sidney I. Schenkier |
| Defendants. |) |
| SAFECO INSURANCE COMPANY OF AMERICA, <i>et al.</i> , individually and on behalf of a class consisting of members of the National Workers Compensation Reinsurance Pool, |) |
| |) |
| Plaintiffs, |) No. 09 CV 2026 |
| vs. |) |
| |) District Judge Robert W. Gettleman |
| |) |
| AMERICAN INTERNATIONAL GROUP, INC., <i>et al.</i> , |) |
| |) |
| Defendants. |) |

**SETTLEMENT CLASS PLAINTIFFS' CORRECTED SECOND INTERIM
PETITION FOR ATTORNEYS' FEES AND COSTS**

Settlement Class Plaintiffs, by their undersigned counsel, submit this Second Interim Petition for Attorneys' Fees and Costs, pursuant to Fed. R. Civ. P. 23(h), and in support thereof, state as follows:

1. Settlement Class Plaintiffs have previously submitted an Interim Petition for Attorneys' Fees and Costs and a supporting Memorandum of Law for work done through August 30, 2011, which amounted to \$1,995,133.16, comprised of \$1,934,609 in attorneys' fees and \$60,524.16 in costs and expenses (the "Interim Fee Petition"). (R. 453,

R. 454.) The Interim Fee Petition contemplated that Settlement Class Plaintiffs would submit supplements thereto on a going forward basis. (R. 453 at ¶ 6.)

2. For work done from August 31, 2011 to October 31, 2011, which was performed to benefit the certified Settlement Class, Goldberg Kohn Ltd. ("Goldberg Kohn") has billed Settlement Class Plaintiffs \$574,480.32, an amount that is comprised of \$566,169 in attorneys' fees and \$8,311.32 in costs and expenses.

3. Attached hereto as Exhibit 1 is the Supplemental Declaration of Frederic R. Klein in Support of Settlement Class Plaintiffs' Second Interim Petition for Attorneys' Fees and Costs ("Klein Supp'l Fee Decl."), along with Goldberg Kohn's billing statements appropriately redacted to protect attorney-client privileged communications and work product information.

4. In addition to Goldberg Kohn's attorneys' fees and expenses described above, and as addressed in Settlement Class Plaintiffs' Motion for Leave to File Additional Fee and Expense Petitions (R. 528), Settlement Class Plaintiffs have incurred additional costs from: (i) U.S. Bank N.A., the Court-approved Escrow Agent; (ii) Kurtzman Carson Consultants LLC ("KCC"), the Court-approved Class Administrator; (iii) *Business Insurance* and *National Underwriter*, the Notice publications; and (iv) APCO Worldwide, Inc. ("APCO"), a public affairs and strategic communications firm. (Klein Supp'l Fee Decl. ¶¶ 8-12.)

5. These total additional expenses through October 31, 2011 amount to \$103,913.78:

| Firm | Amount |
|---|---------------------|
| US Bank N.A., (Court-approved Escrow Agent) | \$1,000.00 |
| Kurtzman Carson Consultants LLC (Court-approved Administrator) | \$35,409.32 |
| <i>Business Insurance</i> and <i>National Underwriter</i> | \$14,719.00 |
| APCO Worldwide, Inc. | \$52,785.46 |
| Total Additional Expenses | \$103,913.78 |

(See Exhibits B through E to the Klein Supp'l Fee Decl.)

6. In total, from November 1, 2010 through October 31, 2011, Goldberg Kohn and all third parties have billed Settlement Class Plaintiffs \$2,673,527.26, an amount that is comprised of \$2,500,778 in Goldberg Kohn attorneys' fees and \$172,749.26 in costs and expenses.

7. The amounts billed by Goldberg Kohn have been paid (except for the most recent statements) on behalf of the Settlement Class Plaintiffs by the National Workers Compensation Reinsurance Pool ("NWCRP") pursuant to a resolution adopted by the NWCRP Board of Governors. (R. 455, Klein Fee Decl., ¶ 5.) By the initial Interim Fee Petition (R. 453), and this Second Interim Petition (and any supplemental petitions), the Settlement Class Plaintiffs seek an award at or in conjunction with the November 29, 2011 final fairness hearing that will allow for the litigation fees and expenses billed by Goldberg Kohn and third parties to be paid from the Class Fund. (R. 455, Klein Fee Decl., ¶ 5.) In that way, the Class Members receiving distributions under the Plan of Allocation will bear the burden of the litigation costs, rather than the Settlement Class Plaintiffs themselves, or more generally all of the Participating Companies in the NWCRP, having to bear those expenses. *Id.*

8. The Settlement Class Plaintiffs submit that Goldberg Kohn's, U.S. Bank, N.A.'s, KCC's, and APCO's work in this matter was necessary and reasonable, particularly given the complexity of the case, the various legal issues presented in the litigation, and the positions taken by Liberty, Safeco Insurance Company of America, and Ohio Casualty Insurance Company, who have vigorously opposed everything the Settlement Class Plaintiffs have tried to accomplish since they were allowed to intervene on January 13, 2011.

9. Goldberg Kohn's attorneys' fees constitute approximately 0.5% of the \$450 million settlement fund, and the costs and expenses are a much smaller percentage than that. Courts in this jurisdiction have approved attorneys' fees and costs in class action settlements that are well above the amount requested by Settlement Class Plaintiffs, both in terms of the dollar figure and as a percentage of the Class Fund.

10. For these reasons, and those stated in the Memorandum of Law filed September 16, 2011 (R. 454), Settlement Class Plaintiffs hereby present their Second Interim Petition for Attorneys' Fees and Costs in the amount of \$678,394.10, and ask that the Court consider the initial Interim Fee Petition, this Second Interim Petition, and any additional supplements to be filed subsequently (which will include a request for the award of the \$50,000 premium described in the Klein Fee Decl.) at or in conjunction with the final fairness hearing scheduled for November 29, 2011.

11. Settlement Class Plaintiffs further request that the Court issue an order at this time allowing the Escrow Agent to distribute payments from the Class Fund to the Class Administrator, the Escrow Agent, and APCO at this time so that each of those entities can be paid currently. A draft Order is attached hereto as Exhibit 2.

WHEREFORE, the Settlement Class Plaintiffs submit this Second Interim Petition for Attorneys' Fees and Costs, ask this Honorable Court: (a) to consider the initial Interim Fee Petition, this Second Interim Petition, and any supplements thereto, at or in conjunction with the November 29, 2011 final fairness hearing; (b) to issue an order allowing the Escrow Agent to distribute payments from the Class Fund to the Class Administrator, the Escrow Agent, and APCO at this time; and (c) for all additional relief deemed appropriate by the Court.

Dated: November 11, 2011

Respectfully submitted,

ACE INA HOLDINGS, INC., AUTO-OWNERS
INSURANCE CO., COMPANION PROPERTY &
CASUALTY INS. CO., FIRSTCOMP INSURANCE
CO., THE HARTFORD FINANCIAL SERVICES
GROUP, INC., TECHNOLOGY INSURANCE CO.,
and THE TRAVELERS INDEMNITY COMPANY

By /s/ Frederic R. Klein
One of Their Attorneys

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CERTIFICATE OF SERVICE

The undersigned, an attorney, certifies that on November 11, 2011, he caused a true and correct copy of **Settlement Class Plaintiffs' Corrected Second Interim Petition for Attorneys' Fees and Costs** to be served upon the parties of record via the Court's ECF/electronic mailing system.

/s/ Frederic R. Klein